

AMENDMENT NO. _____

Signature of Sponsor

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Date _____

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Comm. Amdt. _____

AMEND Senate Bill No. 1118*

House Bill No. 917

by deleting Sections 1 and 2 in their entirety and by substituting instead the following:

Section 1. Tennessee Code Annotated, Title 45, is amended by adding as a new section the following:

(a) An agreement to share electronic terminals or participate in a shared electronic network shall not prohibit, limit, or restrict the right of a financial institution to charge a usage fee for use of its electronic terminals, require a financial institution to limit or waive its rights or obligations under this section, or require the financial institution to otherwise distinguish or discriminate on classes or types of transactions. The provisions of this section shall not limit or restrict any other fee which a financial institution may impose on its customers pursuant to any deposit, lending, or other written agreement which it has with a customer, or to any other transaction where a customer has no written agreement, but which a customer has notice of any fee.

(b) A financial institution may impose and collect a usage fee on a foreign access card; provided, the usage fee may only be charged if the imposition of the fee is disclosed at a time and in a manner that allows the user to terminate or cancel the transaction without incurring the usage fee.

(c) As used in this section, unless the context otherwise requires:

(1) "Electronic terminal" means an electronic device through which a person may initiate an electronic fund transfer to access the person's deposit, share, or other accounts or credit facility, and includes, but is not

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limited to, automated teller machines, cash dispensing machines, point of sale terminals, or other cash, debit, stored value, script, or cash equivalent device.

(2) "Financial institution" shall mean a state or national bank, savings and loan association, savings bank, or credit union which owns or operates an electronic terminal.

(3) "Foreign access card" means any card or other device eligible for use in an electronic terminal where such foreign access card is not issued to the user by the owner or operator of the electronic terminal.

(4) "Shared electronic network" means any system by which a person may initiate any financial transaction from an electronic terminal owned or operated by any person other than a financial institution with whom the person has a deposit, share, or other account or credit facility.

(5) "Usage fee" is any fee charged by the owner or operator of an electronic terminal on transactions by a holder of a foreign access card.

Section 2. The commissioner of the Department of Financial Institutions is authorized to promulgate rules and regulations to effectuate the purposes of this act.

Section 3. This act shall take effect upon becoming law, the public welfare requiring it.